

A NONSUBSTANTIVE REVISION
OF STATUTES RELATING TO
THE LICENSURE OF INSURERS AND RELATED ENTITIES,
LIFE INSURANCE, AND CERTAIN GROUP BENEFIT PROGRAMS
FOR GOVERNMENTAL EMPLOYEES

Submitted to the 77th Legislature
as part of the
Texas Legislative Council's
Statutory Revision Program

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Revisor's Note

(1) Subsection (f), V.T.I.C. Article 3.50-5, refers to the "administrative council," meaning the administrative council created under V.T.I.C. Article 3.50-3. The revised law substitutes a reference to the governing board of an institution of higher education for the reason stated in Revisor's Note (3) to Section 1625.001.

(2) Subsection (f), V.T.I.C. Article 3.50-5, refers to "conditions and limitations." The reference to "limitations" is omitted from the revised law because "limitations" is included within the meaning of "conditions."

APPENDIX A

CONFORMING AMENDMENTS

SECTION 4. CONFORMING AMENDMENT. Article 1.10, Insurance Code, is amended to read as follows:

Art. 1.10. CERTAIN DUTIES OF THE DEPARTMENT. In addition to the other duties required of the department, the department shall perform duties as follows:

2. File Articles of Incorporation and Other Papers. File and preserve in its office all acts or articles of incorporation of insurance companies and all other papers required by law to be deposited with the Department and, upon application of any party interested therein, furnish certified copies thereof upon payment of the fees prescribed by law.

3. Shall Calculate Reserve. For every company transacting any kind of insurance business in this State, for which no basis is prescribed by law, the Department shall calculate the reinsurance reserve upon the same basis prescribed in Section 862.102 [~~Article 6.01~~] of this code as to companies transacting fire insurance business.

4. To Calculate Re-insurance Reserve. On the thirty-first day of December of each and every year, or as soon thereafter as may be practicable, the Department shall have calculated in the Department the re-insurance reserve for all unexpired risks of all insurance companies organized under the laws of this state, or transacting business in this state, transacting any kind of insurance other than life, fire, marine, inland, lightning or tornado insurance, which calculation shall be in accordance with the provisions of Paragraph 3 hereof.

5. When a Company's Surplus is Impaired. No impairment of the capital stock of a stock company shall be permitted. No impairment of the surplus of a stock company, or of the minimum required aggregate surplus of a mutual, Lloyd's, or reciprocal insurer, shall be permitted in excess of that provided by this section. Having charged against a company other than a life insurance company, the reinsurance reserve, as prescribed by the laws of this State, and adding thereto all other debts and claims against the company, the Commissioner shall, (i) if it is

determined that the surplus required by Section 822.054, 822.202, 822.203, 822.205, 822.210, 822.211, or 822.212 [~~Article 2.02 or 2.20~~] of this code of a stock company doing the kind or kinds of insurance business set out in its Certificate of Authority is impaired to the extent of more than fifty (50%) per cent of the required surplus for a capital stock insurance company, or is less than the minimum level of surplus required by Commissioner promulgated risk-based capital and surplus regulations, or (ii) if it is determined that the required aggregate surplus of a reciprocal or mutual company, or the required aggregate of guaranty fund and surplus of a Lloyd's company, other than a life insurance company, doing the kind or kinds of insurance business set out in its Certificate of Authority is impaired to the extent of more than twenty-five per cent (25%) of the required aggregate surplus, or is less than the minimum level of surplus required by Commissioner promulgated risk-based capital and surplus regulations, the Commissioner shall order the company to remedy the impairment of surplus to acceptable levels specified by the Commissioner or to cease to do business within this State. The Commissioner shall thereupon immediately institute such proceedings as may be necessary to determine what further actions shall be taken in the case.

6. Shall Publish Results of Investigation. The Department shall publish the result of an examination of the affairs of any company whenever the Commissioner deems it for the interest of the public.

~~[15. See That No Company Does Business. The Commissioner shall see that no company is permitted to transact the business of life insurance in this State whose charter authorizes it to do a fire, marine, lightning, tornado, or inland insurance business, and that no company authorized to do a life insurance business in this State be permitted to take fire, marine or inland risks.]~~

~~[16. Admit Mutual Companies. The Commissioner shall admit into this State mutual insurance companies engaged in cyclone, tornado, hail and storm insurance which are organized under the laws of other states and which have Two Million (\$2,000,000.00) Dollars assets in excess of liabilities.]~~

17. Voluntary Deposits. (a) In the event any insurance company organized and doing business under the provisions of this Code shall be required by any other state, country or province as a requirement for permission to do an insurance business therein to make or maintain a deposit with an officer of any state, country, or province, such company, at its discretion, may voluntarily deposit with the Comptroller such securities as may be approved by the Commissioner of Insurance to be of the type and character authorized by law to be legal investments for such company, or cash, in any amount sufficient

to enable it to meet such requirements. The Comptroller is hereby authorized and directed to receive such deposit and hold it exclusively for the protection of all policyholders or creditors of the company wherever they may be located, or for the protection of the policyholders or creditors of a particular state, country or province, as may be designated by such company at the time of making such deposit. The company may, at its option, withdraw such deposit or any part thereof, first having deposited with the Comptroller, in lieu thereof, other securities of like class and of equal amount and value to those withdrawn, which withdrawal and substitution must be approved by the Commissioner of Insurance. The proper officer of each insurance company making such deposit shall be permitted at all reasonable times to examine such securities and to detach coupons therefrom, and to collect interest thereon, under such reasonable rules and regulations as may be prescribed by the Comptroller and the Commissioner of Insurance. Any deposit so made for the protection of policyholders or creditors of a particular state, country or province shall not be withdrawn, except by substitution as provided above, by the company, except upon filing with the Commissioner of Insurance evidence satisfactory to him that the company has withdrawn from business, and has no unsecured liabilities outstanding or potential policyholder liabilities or obligations in such other state, country or province requiring such deposit, and upon the filing of such evidence the company may withdraw such deposit at any time upon the approval of the Commissioner of Insurance. Any deposit so made for the protection of all policyholders or creditors wherever they may be located shall not be withdrawn, except by substitution as provided above, by the company except upon filing with the Commissioner of Insurance evidence satisfactory to him that the company does not have any unsecured liabilities outstanding or potential policy liabilities or obligations anywhere, and upon filing such evidence the company may withdraw such deposit upon the approval of the Commissioner of Insurance. For the purpose of state, county and municipal taxation, the situs of any securities deposited with the Comptroller hereunder shall be in the city and county where the principal business office of such company is fixed by its charter.

(b) Any voluntary deposit held by the Comptroller or the Department heretofore made by any insurance company in this State, and which deposit was made for the purpose of gaining admission to another state, may be considered, at the option of such company, to be hereinafter held under the provisions of this Act.

(c) When two or more companies merge or consolidate or enter a total reinsurance contract by which the ceding company is dissolved and its assets acquired and

liabilities assumed by the surviving company, and the companies have on deposit with the Comptroller two or more deposits made for identical purposes under this section or Article 4739, Revised Statutes, as amended, and now repealed, all such deposits, except the deposit of greatest amount and value, may be withdrawn by the new surviving or reinsuring company, upon proper showing of duplication of such deposits and that the company is the owner thereof.

(d) Any company which has made a deposit or deposits under this section or Article 4739, Revised Statutes, as amended and now repealed, shall be entitled to a return of such deposits upon proper application therefor and a showing before the Commissioner that such deposit or deposits are no longer required under the laws of any state, country or province in which such company sought or gained admission to do business upon the strength of a certificate of such deposit.

(e) Upon being furnished a certified copy of the Commissioner's order issued under Subsection (c) or (d) above, the Comptroller shall release, transfer and deliver such deposit or deposits to the owner as directed in said order.

18. Complaint File. The Department shall keep an information file about each complaint filed with the Department concerning an activity that is regulated by the Department or Commissioner.

19. Notice of Complaint Status. If a written complaint is filed with the Department, the Department, at least quarterly and until final disposition of the complaint, shall notify the parties to the complaint of the status of the complaint unless the notice would jeopardize an undercover investigation.

20. Electronic Transfer of Funds. The Commissioner shall adopt rules for the electronic transfer of any taxes, fees, guarantee funds, or other money owed to or held for the benefit of the state and for which the Department has the responsibility to administer under this code or another insurance law of this state. The Commissioner shall require the electronic transfer of any amounts held or owed in an amount exceeding \$500,000.

SECTION 5. CONFORMING AMENDMENT. Article 1.10C, Insurance Code, is amended to read as follows:

Art. 1.10C. ACCESS TO CERTAIN CRIMINAL HISTORY RECORD INFORMATION. ~~[(e)]~~ The department may deny a license to an applicant for any license, permit, ~~[certificate of authority, certificate of registration,]~~ or other authorization issued by the board to engage in an activity regulated under this code who fails to provide a complete set of fingerprints on request and may deny a certificate of authority to an insurance company whose corporate officers fail to provide complete sets of fingerprints on request.

SECTION 6. CONFORMING AMENDMENT. Article 1.11, Insurance

Code, is amended to read as follows:

Art. 1.11. FILING OR DEPOSIT OF CERTAIN DOCUMENTS OR PAYMENTS WITH DEPARTMENT ~~[MAY CHANGE FORM OF ANNUAL STATEMENT]~~.

~~[(a) The commissioner may, from time to time, make such changes in the forms of the annual statements required of insurance companies of any kind, as shall seem to it best adapted to elicit a true exhibit of their condition and methods of transacting business. Such form shall elicit only such information as shall pertain to the business of the company.]~~

If any ~~[annual statement,]~~ report, financial statement, or payment required to be filed or deposited in the offices of the commissioner, or any report, tax return, or payment required to be filed or deposited in the offices of the comptroller, is delivered by the United States Postal Service to the offices of the commissioner or comptroller, as required, after the prescribed date on which the ~~[annual statement,]~~ report, financial statement, tax return, or payment is to be filed, the date of the United States Postal Service postmark stamped on the cover in which the document is mailed, or any other evidence of mailing authorized by the United States Postal Service reflected on the cover in which the document is mailed, shall be deemed to be the date of filing, unless otherwise specifically made an exception to this general statute.

~~[(b) Each domestic, foreign, and alien insurer authorized to transact insurance in this state, at the time it files its annual statement with the State Board of Insurance, shall file with the National Association of Insurance Commissioners a copy of its annual statement, along with any changes in substance and form, including a requirement that the submission be in computer compatible format, or additional filings, if any, as may be prescribed by the State Board of Insurance. The information filed shall include the signed jurat page and the actuarial certification, as required by the state of domicile. Any amendments and additions to the annual statement subsequently filed with the State Board of Insurance also shall be filed with the National Association of Insurance Commissioners. The expense for preparing and furnishing such annual statement and other filings to the National Association of Insurance Commissioners shall be that of the insurer. There shall be no other costs or expenses of any kind levied, charged, or assessed against the insurer relating to such filings. The Board may deem foreign insurers that are domiciled in a state that has a law substantially similar to this section to be in compliance with this section. This section is applicable to all companies regulated by the State Board of Insurance including domestic and foreign, stock and mutual life, health, and accident insurance companies; domestic and foreign, stock and mutual, fire and casualty insurance companies; Mexican casualty companies;~~

~~domestic and foreign Lloyd's plan insurers; domestic and foreign reciprocal or interinsurance exchanges; domestic and foreign fraternal benefit societies; domestic and foreign title insurance companies; attorney's title insurance companies; stipulated premium insurance companies; nonprofit legal service corporations; health maintenance organizations; statewide mutual assessment companies; local mutual aid associations; local mutual burial associations; exempt associations under Article 14.17 of this code; nonprofit hospital, medical, or dental service corporations including companies subject to Chapter 20 of this code; county mutual insurance companies; and farm mutual insurance companies. The Board may exempt any class of insurers from the requirements of this section if the Board believes the information required by this section will not be useful for regulatory purposes. Reports or other information communicated to the State Board of Insurance by the National Association of Insurance Commissioners from the collection, review, analysis, and dissemination of information developed from the filing of annual statement convention blanks is considered part of the process of examination of insurance companies under Articles 1.15-1.19 of this code and other provisions of this code, and this information is an integral part of those examinations.~~

~~[(c) Included on or attached to page 1 of the annual statement shall be the statement of a qualified actuary, entitled "Statement of Actuarial Opinion," setting forth his or her opinion relating to policy reserves and other actuarial items for life, accident and health, and annuities, or loss and loss adjustment expense reserves for property and casualty risks, as described in the NAIC annual statement instructions as appropriate for the type of risks insured.~~

~~[(d) In this article, "qualified actuary" means a member in good standing of the American Academy of Actuaries or a person who has otherwise demonstrated actuarial competence to the satisfaction of the commissioner of insurance or other insurance regulatory official of the insurer's domiciliary state.]~~

SECTION 7. CONFORMING AMENDMENT. The heading to Article 1.14-2, Insurance Code, is amended to read as follows:

Art. 1.14-2. SURPLUS LINES INSURANCE PREMIUM TAX

SECTION 8. CONFORMING AMENDMENT. Section 12, Article 1.14-2, Insurance Code, is amended by adding Subsection (e) to read as follows:

(e) The provisions of Chapter 981 of this code, including provisions relating to the applicability and enforcement of that chapter, rulemaking authority under that chapter, and definitions of terms applicable in that chapter, apply to this section.

SECTION 9. CONFORMING AMENDMENT. Article 3.11, Insurance Code, is amended to read as follows:

Art. 3.11. CERTAIN GUARANTEES IN LIFE INSURANCE POLICIES

~~[DIVIDENDS; HOW PAID]. Section 841.253 of this code does [No~~
~~life insurance company shall declare or pay any dividends to its~~
~~policyholders, except from the expense loading and profits made~~
~~by such company; provided, however, any such company not showing~~
~~a profit may pay dividends on its participating policies from the~~
~~expense loading on such policies; and provided further, that any~~
~~payment of dividends from the expense loading shall not be~~
~~discriminatory as between policyholders. This shall]~~ not
prohibit the issuance of life insurance policies guaranteeing, by
coupons or otherwise, definite payments or reductions in
premiums, but any such guarantee contained in policies or coupons
issued after the effective date of this Act shall be treated as a
definite contract benefit and so valued according to the reserve
requirements of this Chapter using in the case of policies or
coupons issued before the date determined under Section
1105.002(a) or (b) of this code, as applicable to the company,
~~[prior to the operative date of Article 3.44a (the Standard~~
~~Non-forfeiture Law)]~~ reserve valuation net premium for such
benefits which is a uniform percentage of the gross premiums,
provided that any policy containing such a contract benefit may
be valued on a basis which provides for not more than one (1)
year preliminary term insurance, and using in the case of
policies or coupons issued on or after the date determined under
Section 1105.002(a) or (b) of this code, as applicable to the
company, ~~[operative date of Article 3.44a]~~ the commissioners
reserve valuation method as defined in Article 3.28. ~~[No such~~
~~company shall declare or pay any dividends to its stockholders,~~
~~except from the company's earned surplus as defined by the State~~
~~Board of Insurance.]~~ Nothing in this Section with respect to
reserves shall apply to any policy issued prior to September 7,
1955.

SECTION 10. CONFORMING AMENDMENT. Article 3.51-8, Insurance
Code, is amended to read as follows:

Art. 3.51-8. CONTINUATION OF ~~[GROUP LIFE AND]~~ GROUP
ACCIDENT AND HEALTH INSURANCE DURING LABOR DISPUTE. No ~~[group~~
~~life insurance policy or]~~ group accident and health insurance
policy shall be delivered or issued for delivery in this state
where the premiums or any part thereof is paid or is to be paid
in whole or in part by an employer pursuant to the terms of a
collective bargaining agreement unless the policy provides that
in the event of a cessation of work by the employees covered by
the policy as the result of a labor dispute, the policy upon
timely payment of the premium shall continue in effect with
respect to all employees insured by the policy on the date of the
cessation of work who continue to pay their individual
contribution and who assume and pay the contribution due from the
employer for the period of cessation of work, under the following
conditions:

(a) If the policyholder is not a trustee or the trustees of a fund established or maintained in whole or in part by the employer, the policy shall provide that the employee's individual contribution shall be the rate in the policy, on the date cessation of work occurs, applicable to an individual in the class to which the employee belongs as set forth in the policy. If the policy does not provide for a rate applicable to individuals, the policy shall provide that the employee's individual contribution shall be an amount equal to the amount determined by dividing (1) the total monthly premium in effect under the policy at the date of cessation of work by (2) the total number of persons insured under the policy at such date.

(b) If the policyholder is a trustee or the trustees of a fund established or maintained in whole or in part by the employer, the employee's contribution shall be the amount which he and his employer would have been required to contribute to the trust for such employee if (1) the cessation of work had not occurred and (2) the agreement requiring the employer to make contributions to the trust were in full force.

(c) The policy may provide that the continuation of insurance is contingent upon the collection of individual contributions by the union or unions representing the employees for policies referred to in Subdivision (a) above and by the policyholder or the policyholder's agent with respect to policies referred to in Subdivision (b) above.

(d) The policy may provide that the continuation of insurance on each employee is contingent upon timely payment of contributions by the individual and timely payment of the premium by the entity responsible for collecting the individual contributions.

(e) The policy may provide that each individual premium rate shall be increased by any amount up to 20 percent, or any higher percent which may be approved by the commissioner, of that otherwise shown in the policy during the period of cessation of work in order to provide sufficient compensation to the insurer to cover increased administrative costs and increased mortality and morbidity. If the policy does provide for such an increase, this shall have the effect of increasing the employee's contribution by a like percent.

(f) Nothing in this article shall be deemed to limit any right which the insurer may have in accordance with the terms of the policy to increase or decrease the premium rates before, during, or after such cessation of work if in fact the insurer would have had the right to increase the premium rate had the cessation of work not occurred. If such a premium rate change is made, it shall be effective, notwithstanding any other provisions of this article, on such date as the insurer shall determine in accordance with the terms of the policy.

(g) The policy may contain such other provisions with respect to such continuation of insurance as the Commissioner of Insurance may approve.

(h) The policy may provide that, if a premium is unpaid at the date of cessation of work and such premium became due prior to such cessation of work, the continuation of insurance is contingent upon payment of such premium prior to the date the next premium becomes due under the terms of the policy.

(i) Nothing herein shall be deemed to require the continuation of any loss of time payments included in any such group accident and health insurance policy, nor of any other coverages beyond the time that 75 percent of the employees continue such coverage or as to any individual employee beyond the time that he takes full-time employment with another employer; nor shall anything herein be deemed to require continuation of coverage more than six months after the cessation of work.

SECTION 11. CONFORMING AMENDMENT. Article 3.51-10, Insurance Code, is amended to read as follows:

Art. 3.51-10. NOTICE OF PREMIUM RATE INCREASE. Not less than 30 days before the date on which a premium rate increase takes effect on a group policy of [~~life,~~] health, [~~and~~] accident and health, or [~~a group policy of~~] life, health, and accident insurance delivered or issued for delivery in this state by a life, accident, health or casualty insurance company, mutual life insurance company, mutual insurance company other than life, mutual or natural premium life insurance company, general casualty company, Lloyds, reciprocal or interinsurance exchange, fraternal benefit society, group hospitalization service insurer, or local mutual aid association, the insurer shall give written notice of the premium rate increase to the policyholder or in the instance of a multiple employer trust to the trustee or group policyholder of the amount of such increase and the date on which the increase is to take effect. Such notice is also required for increases in subscriber charges and service fees under group policies or contracts or coverage provided by health maintenance organizations. Notice shall be based upon coverages in effect on the date of the notice and nothing contained herein shall be construed to prevent the insurer or health maintenance organization from negotiating changes in benefits and/or rates at the request of the policyholder after the required notice has been delivered.

SECTION 12. CONFORMING AMENDMENT. Section 8, Chapter 397, Acts of the 54th Legislature, Regular Session, 1955 (Article 3.70-8, Vernon's Texas Insurance Code), is amended to read as follows:

Sec. 8. APPLICATION [~~NON-APPLICATION~~] TO CERTAIN POLICIES.
(a) Nothing in this Act shall apply to or affect (1) any policy

of workmen's compensation insurance or any policy of liability insurance with or without supplementary expense coverage therein; or (2) any policy or contract of reinsurance; or (3) any blanket or group policy of insurance except as provided in Subsections (B) and (C) of Section 2 and Subdivision (5) of Subsection (F) of Section 1 and in article 3.70-3B; or (4) life insurance endowment or annuity contracts or contracts supplemental thereto which contain only such provisions relating to accident and sickness insurance as (a) provide additional benefits in case of death or dismemberment or loss of sight by accident, or as (b) operate to safeguard such contracts against lapse, or to give a special surrender value, special benefit, or an annuity in the event that the insured or annuitant shall become totally and permanently disabled, as defined by the contract or supplemental contract, or (5) any policy written under the provisions of Senate Bill No. 208, Acts of the 51st Legislature, 1949.

(b) This Act applies to a health, accident, sickness, and hospitalization policy issued by a stipulated premium insurer subject to Chapter 884 of this code.

SECTION 13. CONFORMING AMENDMENT. The Texas Health Maintenance Organization Act (Chapter 20A, Vernon's Texas Insurance Code) is amended by adding Sections 1A, 1B, and 9Y to read as follows:

Sec. 1A. CITATION OF THIS LAW. This Act may be cited as Chapter 20A, Insurance Code, and the sections contained in this Act may be cited as articles of Chapter 20A, Insurance Code.

Sec. 1B. APPLICABILITY OF DEFINITIONS. In this Act, terms defined by Section 843.002, Insurance Code, have the meanings assigned by that section.

Sec. 9Y. EMERGENCY CARE SERVICES. A health maintenance organization shall pay for emergency care services performed by non-network physicians or providers at the negotiated or usual and customary rate and that the health care plan contains, without regard to whether the physician or provider furnishing the services has a contractual or other arrangement with the entity to provide items or services to covered individuals, the following provisions and procedures for coverage of emergency care services:

(1) any medical screening examination or other evaluation required by state or federal law that is necessary to determine whether an emergency medical condition exists will be provided to covered enrollees in a hospital emergency facility or comparable facility;

(2) necessary emergency care services will be provided to covered enrollees, including the treatment and stabilization of an emergency medical condition; and

(3) services originated in a hospital emergency facility or comparable facility following treatment or

stabilization of an emergency medical condition will be provided to covered enrollees as approved by the health maintenance organization, provided that the health maintenance organization is required to approve or deny coverage of poststabilization care as requested by a treating physician or provider within the time appropriate to the circumstances relating to the delivery of the services and the condition of the patient, but in no case to exceed one hour from the time of the request; the health maintenance organization must respond to inquiries from the treating physician or provider in compliance with this provision in the health maintenance organization's plan.

SECTION 14. CONFORMING AMENDMENT. Section 9(j), Texas Health Maintenance Organization Act (Article 20A.09, Vernon's Texas Insurance Code) (former Subsection (i)), as amended by Chapter 1026, Acts of the 75th Legislature, Regular Session, 1997, is redesignated as Section 9Z, Texas Health Maintenance Organization Act (Chapter 20A, Vernon's Texas Insurance Code), and amended to read as follows:

Sec. 9Z. PROMPT PAYMENT OF CLAIMS. ~~[(j)]~~ A health maintenance organization shall comply with Article 21.55 of the Insurance Code with respect to prompt payment to enrollees. ~~[A health maintenance organization shall make payment to a physician or provider for covered services rendered to enrollees of the health maintenance organization not later than the 45th day after the date a claim for payment is received with documentation reasonably necessary for the health maintenance organization to process the claim or, if applicable, within the number of calendar days specified by written agreement between the physician or provider and the health maintenance organization. For purposes of this subsection, "covered services" means health care services and benefits to which enrollees are entitled under the terms of an applicable evidence of coverage.]~~

SECTION 15. CONFORMING AMENDMENT. Section 4(b), Article 21.54, Insurance Code, is amended to read as follows:

(b) Before offering insurance in this state, a risk retention group shall submit to the commissioner of this state the following:

(1) a statement identifying the state or states in which the risk retention group is chartered and licensed as a liability insurance company, date of chartering, its principal place of business, and such other information, including information on its membership, as the commissioner of this state may require to verify that the group qualifies as a risk retention group under the definition in Subdivision (10) of Section 2 of this article;

(2) a copy of its plan of operation or a feasibility study and revisions of that plan or study submitted to the state in which it is chartered and licensed, provided, however, this

provision relating to the submission of a plan of operation or feasibility study shall not apply with respect to any line or classification of liability insurance which:

(A) was defined in the Product Liability Risk Retention Act of 1981 before October 27, 1986; and

(B) was offered before such date by any risk retention group which had been chartered and operating for not less than three years before that date; and

(3) a statement of registration that designates the commissioner as its agent for the purpose of receiving service of legal documents or process as provided by Chapter 804 [~~and that states the risk retention group will remit to the board a fee not to exceed \$50 as established by board regulation for each document served on the commissioner of this state and forwarded to the risk retention group~~].

SECTION 16. CONFORMING AMENDMENT. Article 23.08A(a), Insurance Code, is amended to read as follows:

(a) The State of Texas by and through the commissioner shall annually determine the rate of assessment of a maintenance tax to be paid by a nonprofit legal services corporation subject to Chapter 961 of this code on an annual or semiannual basis. The rate of assessment may not exceed one percent of the correctly reported gross revenues received by all corporations issuing prepaid legal services contracts in this state. The comptroller shall collect the maintenance tax.

SECTION 17. CONFORMING AMENDMENT. Chapter 30, Insurance Code, is amended to read as follows:

CHAPTER 30. GENERAL PROVISIONS

Sec. 30.001. PURPOSE OF TITLES 2, 6, 7, AND 8 [TITLE]. (a) This title and Titles 6, 7, and 8 are [is] enacted as a part of the state's continuing statutory revision program, begun by the Texas Legislative Council in 1963 as directed by the legislature in the law codified as Section 323.007, Government Code. The program contemplates a topic-by-topic revision of the state's general and permanent statute law without substantive change.

(b) Consistent with the objectives of the statutory revision program, the purpose of this title and Titles 6, 7, and 8 is to make the law encompassed by the titles [~~this title~~] more accessible and understandable by:

(1) rearranging the statutes into a more logical order;

(2) employing a format and numbering system designed to facilitate citation of the law and to accommodate future expansion of the law;

(3) eliminating repealed, duplicative, unconstitutional, expired, executed, and other ineffective provisions; and

(4) restating the law in modern American English to

the greatest extent possible.

Sec. 30.002. CONSTRUCTION [~~OF TITLE~~]. Except as provided by Section 30.003 and as otherwise expressly provided in this code, Chapter 311, Government Code (Code Construction Act), applies to the construction of each provision in this title and in Titles 6, 7, and 8 [~~except as otherwise expressly provided by this title~~].

Sec. 30.003. DEFINITION OF PERSON. The definition of "person" assigned by Section 311.005, Government Code, does not apply to any provision in this title or in Title 6, 7, or 8.

Sec. 30.004. REFERENCE IN LAW TO STATUTE REVISED BY TITLE 2, 6, 7, OR 8. A reference in a law to a statute or a part of a statute revised by this title or by Title 6, 7, or 8 is considered to be a reference to the part of this code [title] that revises that statute or part of that statute.

SECTION 18. CONFORMING AMENDMENT. Sections 82.002(b) and (c), Insurance Code, are amended to more accurately reflect the source law from which they were derived to read as follows:

(b) This chapter also applies to:

(1) an agent of an entity described by Subsection (a);
and

(2) an individual or a corporation, association, partnership, or other artificial [a] person who:

- (A) is engaged in the business of insurance;
- (B) holds an authorization; or
- (C) is regulated by the commissioner.

(c) The commissioner's authority under this chapter applies to each form of authorization and each person or entity holding an authorization.

SECTION 19. CONFORMING AMENDMENT. Section 83.001(3), Insurance Code, is amended to more accurately reflect the source law from which it was derived to read as follows:

(3) "Unauthorized person" means an individual or a corporation, association, partnership, or other artificial [a] person who directly or indirectly does an act of insurance business that is:

- (A) described by Section 101.051 or 101.052; and
- (B) not done in accordance with specific
authorization of law.

SECTION 20. CONFORMING AMENDMENT. Section 83.002(b), Insurance Code, is amended to more accurately reflect the source law from which it was derived to read as follows:

(b) This chapter also applies to:

(1) an agent of an entity described by Subsection (a);
and

(2) an individual or a corporation, association, partnership, or other artificial [a] person who:

- (A) is engaged in the business of insurance;

(B) holds a permit, certificate, registration, license, or other authority under this code; or

(C) is regulated by the commissioner.

SECTION 21. CONFORMING AMENDMENT. Section 101.001(c), Insurance Code, is amended to more accurately reflect the source law from which it was derived to read as follows:

(c) The purpose of this chapter is to subject certain insurers and ~~[other]~~ persons to the jurisdiction of:

(1) the commissioner and proceedings before the commissioner; and

(2) the courts of this state in suits by or on behalf of the state or an insured or beneficiary under an insurance contract.

SECTION 22. CONFORMING AMENDMENT. Section 101.051(b), Insurance Code, is amended to more accurately reflect the source law from which it was derived to read as follows:

(b) The following acts in this state constitute the business of insurance in this state:

(1) making or proposing to make, as an insurer, an insurance contract;

(2) making or proposing to make, as guarantor or surety, a guaranty or suretyship contract as a vocation and not merely incidental to another legitimate business or activity of the guarantor or surety;

(3) taking or receiving an insurance application;

(4) receiving or collecting any consideration for insurance, including:

(A) a premium;

(B) a commission;

(C) a membership fee;

(D) an assessment; or

(E) dues;

(5) issuing or delivering an insurance contract to:

(A) a resident of this state; or

(B) a person authorized to do business in this state;

(6) directly or indirectly acting as an agent for or otherwise representing or assisting an insurer or ~~[other]~~ person in:

(A) soliciting, negotiating, procuring, or effectuating insurance or a renewal of insurance;

(B) disseminating information relating to coverage or rates;

(C) forwarding an insurance application;

(D) delivering an insurance policy or contract;

(E) inspecting a risk;

(F) setting a rate;

(G) investigating or adjusting a claim or loss;

(H) transacting a matter after the effectuation of the contract that arises out of the contract; or

(I) representing or assisting an insurer or [other] person in any other manner in the transaction of insurance with respect to a subject of insurance that is resident, located, or to be performed in this state;

(7) contracting to provide in this state indemnification or expense reimbursement for a medical expense by direct payment, reimbursement, or otherwise to a person domiciled in this state or for a risk located in this state, whether as an insurer, agent, administrator, trust, or funding mechanism or by another method;

(8) doing any kind of insurance business specifically recognized as constituting insurance business within the meaning of statutes relating to insurance;

(9) doing or proposing to do any insurance business that is in substance equivalent to conduct described by Subdivisions (1)-(8) in a manner designed to evade statutes relating to insurance; or

(10) any other transaction of business in this state by an insurer.

SECTION 23. CONFORMING AMENDMENT. Section 101.052, Insurance Code, is amended to more accurately reflect the source law from which it was derived to read as follows:

Sec. 101.052. ADVERTISING RELATING TO MEDICARE SUPPLEMENT POLICIES. With respect to a Medicare supplement policy authorized under Article 3.74, the business of insurance in this state includes using, creating, publishing, mailing, or disseminating in this state an advertisement relating to an act that constitutes the business of insurance under Section 101.051 unless the advertisement is used, created, published, mailed, or disseminated on behalf of an insurer or [other] person who:

(1) is authorized under this code to engage in the business of insurance in this state;

(2) has actual knowledge of the content of the advertisement;

(3) has authorized the advertisement to be used, created, published, mailed, or disseminated on that insurer's or [other] person's behalf; and

(4) is clearly identified by name in the advertisement as the sponsor of the advertisement.

SECTION 24. CONFORMING AMENDMENT. Section 101.053(b), Insurance Code, is amended to more accurately reflect the source law from which it was derived to read as follows:

(b) Sections 101.051 and 101.052 do not apply to:

(1) the lawful transaction of surplus lines insurance under Chapter 981 [~~Article 1.14-2~~];

(2) the lawful transaction of reinsurance by insurers;

- (3) a transaction in this state that:
 - (A) involves a policy that:
 - (i) is lawfully solicited, written, and delivered outside this state; and
 - (ii) covers, at the time the policy is issued, only subjects of insurance that are not resident, located, or expressly to be performed in this state; and
 - (B) takes place after the policy is issued;
- (4) a transaction:
 - (A) that involves an insurance contract independently procured through negotiations occurring entirely outside this state;
 - (B) that is reported; and
 - (C) on which premium tax is paid in accordance with this chapter;
- (5) a transaction in this state that:
 - (A) involves group life, health, or accident insurance, other than credit insurance, and group annuities in which the master policy for the group was lawfully issued and delivered in a state in which the insurer or ~~[other]~~ person was authorized to do insurance business; and
 - (B) is authorized by a statute of this state;
- (6) a management or accounting activity in this state on behalf of a nonadmitted captive insurance company that insures solely directors' and officers' liability insurance for:
 - (A) the directors and officers of the company's parent and affiliated companies;
 - (B) the risks of the company's parent and affiliated companies; or
 - (C) both the individuals and entities described by Paragraphs (A) and (B);
- (7) the issuance of a qualified charitable gift annuity under Chapter 102; or
- (8) a lawful transaction by a servicing company of the Texas workers' compensation employers' rejected risk fund under Section 4.08, Article 5.76-2, as that article existed before its repeal.

SECTION 25. CONFORMING AMENDMENT. Section 101.151, Insurance Code, is amended to more accurately reflect the source law from which it was derived to read as follows:

- Sec. 101.151. POWERS OF COMMISSIONER; NOTICE OF HEARING.
- (a) The commissioner may set a hearing on whether to issue a cease and desist order under Section 101.153 if the commissioner has reason to believe that:
- (1) an insurer or ~~[other]~~ person has violated or is threatening to violate this chapter or a rule adopted under this chapter; or
 - (2) an insurer or ~~[other]~~ person acting in violation

of this chapter has engaged in or is threatening to engage in an unfair act.

(b) The commissioner shall serve on the insurer or ~~[other]~~ person a statement of charges and a notice of hearing in the form provided by Section 2001.052, Government Code, and applicable rules of the commissioner.

SECTION 26. CONFORMING AMENDMENT. Section 101.153, Insurance Code, is amended to more accurately reflect the source law from which it was derived to read as follows:

Sec. 101.153. CEASE AND DESIST ORDER. After a hearing held under this subchapter, the commissioner may issue against the insurer or ~~[other]~~ person charged with a violation an order that requires that the insurer or ~~[other]~~ person immediately cease and desist from the violation.

SECTION 27. CONFORMING AMENDMENT. Section 101.154, Insurance Code, is amended to more accurately reflect the source law from which it was derived to read as follows:

Sec. 101.154. ENFORCEMENT; REFERRAL TO ATTORNEY GENERAL. The commissioner may refer the matter to the attorney general for enforcement if the commissioner has reason to believe that an insurer or ~~[other]~~ person has:

(1) violated a cease and desist order issued under this subchapter; or

(2) failed to pay an assessed penalty.

SECTION 28. CONFORMING AMENDMENT. Section 101.202, Insurance Code, is amended to more accurately reflect the source law from which it was derived to read as follows:

Sec. 101.202. ATTORNEY'S FEES. (a) In an action against an unauthorized insurer or ~~[other]~~ unauthorized person on a contract of insurance issued or delivered in this state to a resident of this state or to a corporation authorized to do business in this state, the court may award to the plaintiff a reasonable attorney's fee if:

(1) the insurer or ~~[other]~~ person failed, for at least 30 days after a demand made before the commencement of the action, to make payment under the contract's terms; and

(2) the failure to make the payment was vexatious and without reasonable cause.

(b) An insurer's or ~~[other]~~ person's failure to defend an action described by Subsection (a) is prima facie evidence that the failure to make payment was vexatious and without reasonable cause.

SECTION 29. CONFORMING AMENDMENT. Chapter 101, Insurance Code, is amended by adding Subchapter H to read as follows:

SUBCHAPTER H. CERTAIN PROCEEDINGS; BOND
REQUIREMENTS

Sec. 101.351. DEFINITIONS. (a) In this subchapter, "court proceeding" includes an action or suit.

(b) The definition of "state" assigned by Section 311.005, Government Code, does not apply in this chapter. (New.)

Sec. 101.352. APPLICABILITY. This subchapter applies only to a court or administrative proceeding against an unauthorized person or insurer in which the person or insurer was served under Section 804.107. (V.T.I.C. Art. 1.36, Secs. 11(a) (part), (b) (part)).

Sec. 101.353. BOND REQUIREMENT FOR COURT PROCEEDING. (a) Except as provided by Subsection (c), before an unauthorized person or insurer may file a pleading in a court proceeding to which this subchapter applies, the person or insurer must deposit cash or securities or file a bond with good and sufficient sureties approved by the court in an amount determined by the court as sufficient to pay any final judgment that may be rendered in the proceeding.

(b) An unauthorized person or insurer must file the deposit required by this section with the clerk of the court in which the proceeding is pending.

(c) The court may issue an order waiving the deposit or bond required by this section if the unauthorized person or insurer demonstrates to the court's satisfaction that the person or insurer maintains sufficient available funds or securities in a state in the United States, in trust or otherwise, to satisfy any final judgment that may be rendered in the proceeding. (V.T.I.C. Art. 1.36, Sec. 11(a) (part)).

Sec. 101.354. BOND REQUIREMENT FOR ADMINISTRATIVE PROCEEDING. (a) Except as provided by Subsection (c), before an unauthorized person or insurer may file a pleading in an administrative proceeding of the department to which this subchapter applies, the person or insurer must, if required by statute, deposit cash or securities or file a bond with good and sufficient sureties approved by the commissioner in an amount determined by the commissioner as sufficient to pay any final order that may be entered in the proceeding.

(b) An unauthorized person or insurer must file the deposit required by this section with the chief clerk of the department.

(c) The commissioner may issue an order waiving the deposit or bond required by this section if the unauthorized person or insurer demonstrates to the commissioner's satisfaction that the person or insurer maintains sufficient available funds or securities in a state in the United States, in trust or otherwise, to satisfy any final order that may be entered in the proceeding. (V.T.I.C. Art. 1.36, Sec. 11(a) (part)).

Sec. 101.355. POSTPONEMENT. A court or the commissioner may order any postponement necessary to afford an unauthorized person or insurer a reasonable opportunity to:

(1) comply with Section 101.353 or 101.354, as appropriate; and

(2) defend that court or administrative proceeding.
(V.T.I.C. Art. 1.36, Sec. 11(b) (part).)

Sec. 101.356. MOTION TO QUASH. Sections 101.353 and 101.354 do not prevent an unauthorized person or insurer from filing a motion to quash a writ or to set aside service made under Section 804.107 on the ground that the person or insurer has not engaged in the business of insurance as described by Section 101.051.
(V.T.I.C. Art. 1.36, Sec. 11(c).)

SECTION 30. CONFORMING AMENDMENT. Section 72.001(c), Property Code, is amended to read as follows:

(c) This chapter applies to property held by life insurance companies with the exception of unclaimed proceeds to which Chapter 1109 [~~funds, as defined by Section 3, Article 4.08~~], Insurance Code, applies and that are held by those companies that are subject to Chapter 1109 [~~Article 4.08~~], Insurance Code.

SECTION 31. REPEALER. (a) The following articles of the Insurance Code are repealed: 1.14; 1.14A; 1.28; 1.29; 1.36; 1.38; 2.01; 2.02; 2.03; 2.04; 2.05; 2.06; 2.07; 2.08; 2.09; 2.11; 2.12; 2.13; 2.14; 2.15; 2.16; 2.17; 2.18; 2.19; 2.20; 2.21; 3.01; 3.02; 3.02a; 3.04; 3.05; 3.06; 3.07; 3.08; 3.09; 3.12; 3.13; 3.15; 3.20; 3.20-1; 3.21; 3.22; 3.23; 3.24; 3.24-1; 3.26; 3.27; 3.27-1; 3.27-2; 3.27-3; 3.27-4; 3.42A; 3.44; 3.44a; 3.44b; 3.44c; 3.44d; 3.45; 3.46; 3.47; 3.48; 3.49; 3.50; 3.50-1; 3.50-2A; 3.50-4; 3.50-5; 3.50-6; 3.50-6A; 3.51-4A; 3.52; 3.53; 3.54; 3.55; 3.56-1; 3.57; 3.58; 3.60; 3.61; 3.63; 3.67; 3.68; 3.69; 3.75; 3.95-1; 3.95-1.5; 3.95-1.6; 3.95-1.7; 3.95-2; 3.95-3; 3.95-4; 3.95-4.1; 3.95-4.2; 3.95-4.3; 3.95-4.4; 3.95-4.5; 3.95-4.6; 3.95-4.7; 3.95-4.8; 3.95-4.9; 3.95-4.10; 3.95-5; 3.95-6; 3.95-7; 3.95-8; 3.95-9; 3.95-10; 3.95-11; 3.95-12; 3.95-13; 3.95-14; 3.95-15; 4.08; 5.01-2; 6.01; 6.01-A; 6.02; 6.03; 6.04; 6.05; 6.06; 6.07; 6.08; 6.11; 6.12; 6.13; 6.14; 6.15; 6.16; 8.01; 8.02; 8.03; 8.04; 8.05; 8.06; 8.07; 8.08; 8.09; 8.10; 8.11; 8.12; 8.13; 8.14; 8.15; 8.16; 8.17; 8.18; 8.19; 8.20; 8.21; 8.23; 8.24; 10.01; 10.02; 10.03; 10.03A; 10.03B; 10.03-1; 10.04; 10.05; 10.06; 10.07; 10.08; 10.09; 10.10; 10.11; 10.12; 10.12-1; 10.13; 10.14; 10.15; 10.16; 10.17; 10.18; 10.19; 10.20; 10.21; 10.22; 10.23; 10.25; 10.26; 10.27; 10.28; 10.29; 10.30; 10.31; 10.33; 10.34; 10.35; 10.36; 10.37; 10.37-1; 10.37-2; 10.37-3; 10.38; 10.39; 10.40; 10.41; 10.42; 10.43; 10.44; 10.45; 11.01; 11.02; 11.03; 11.04; 11.05; 11.06; 11.07; 11.08; 11.10; 11.11; 11.12; 11.13; 11.14; 11.15; 11.16; 11.17; 11.18; 11.18-1; 11.19; 11.20; 11.21; 12.01; 12.02; 12.03; 12.04; 12.05; 12.06; 12.07; 12.08; 12.09; 12.10; 12.11; 12.12; 12.13; 12.14; 12.15; 12.16; 12.17; 12.18; 13.01; 13.02; 13.03; 13.04; 13.05; 13.06; 13.07; 13.08; 13.09; 14.01; 14.02; 14.03; 14.04; 14.05; 14.06; 14.07; 14.08; 14.09; 14.10; 14.11; 14.12; 14.13; 14.14; 14.14a; 14.15; 14.16; 14.17; 14.17A; 14.18; 14.19; 14.20; 14.21; 14.22; 14.23; 14.24; 14.25; 14.26; 14.27; 14.28; 14.29; 14.30; 14.31; 14.32; 14.33;

14.35; 14.36; 14.37; 14.37-1; 14.38; 14.39; 14.42; 14.43; 14.44;
14.45; 14.46; 14.47; 14.48; 14.49; 14.50; 14.51; 14.52; 14.53;
14.54; 14.55; 14.56; 14.56-1; 14.57; 14.58; 14.59; 14.60; 14.61;
14.62; 14.63; 14.64; 15.01; 15.02; 15.03; 15.04; 15.05; 15.05-A;
15.06; 15.07; 15.08; 15.09; 15.10; 15.11; 15.12; 15.13; 15.14;
15.15; 15.16; 15.17; 15.18; 15.19; 15.19-1; 15.19-2; 15.20;
15.20-1; 15.21; 15.22; 16.01; 16.02; 16.03; 16.04; 16.05; 16.06;
16.07; 16.08; 16.09; 16.10; 16.11; 16.12; 16.13; 16.14; 16.15;
16.16; 16.17; 16.18; 16.19; 16.20; 16.21; 16.22; 16.23; 16.24;
16.24A; 16.25; 16.26; 16.27; 17.01; 17.02; 17.03; 17.04; 17.05;
17.06; 17.07; 17.08; 17.09; 17.10; 17.11; 17.12; 17.13; 17.14;
17.15; 17.16; 17.17; 17.19; 17.20; 17.21; 17.22; 17.23; 17.24;
17.25; 18.01; 18.01-1; 18.02; 18.03; 18.03-1; 18.04; 18.05;
18.06; 18.07; 18.08; 18.09; 18.10; 18.11; 18.11-1; 18.12; 18.13;
18.14; 18.15; 18.16; 18.18; 18.19; 18.21; 18.22; 18.22-1; 18.23;
18.23A; 18.24; 19.01; 19.02; 19.02A; 19.03; 19.05; 19.06; 19.07;
19.08; 19.09; 19.10; 19.10-1; 19.11; 19.12; 19.12A; 19.13; 20.01;
20.02; 20.03; 20.04; 20.05; 20.06; 20.08; 20.09; 20.10; 20.11;
20.12; 20.13; 20.14; 20.15; 20.16; 20.17; 20.18; 20.19; 20.20;
20.21; 20C.01; 20C.02; 20C.03; 20C.04; 20C.05; 20C.06; 20C.07;
20C.08; 20C.09; 20C.10; 20C.11; 20C.12; 20C.13; 20C.14; 20C.15;
21.22; 21.23; 21.24; 21.25; 21.26; 21.27; 21.34; 21.37; 21.43;
21.44; 21.45; 21.49-1; 21.49-2C; 21.52F; 22.01; 22.02; 22.03;
22.04; 22.05; 22.06; 22.07; 22.08; 22.09; 22.10; 22.11; 22.12;
22.13; 22.14; 22.15; 22.16; 22.17; 22.18; 22.19; 22.20; 22.21;
22.22; 22.23; 22.23A; 23.01; 23.02; 23.03; 23.04; 23.05; 23.06;
23.07; 23.08; 23.09; 23.10; 23.11; 23.12; 23.13; 23.14; 23.15;
23.16; 23.17; 23.18; 23.19; 23.20; 23.21; 23.22; 23.23; 23.24;
23.25; and 23.26.

(b) The following laws are repealed:

(1) Sections 1, 2, 3, 3A, 4, 5, 6, 6A, 7, 8, 9, 10, 13, 14, 15, 15A, 16, 17, 17A, and 18, Article 1.14-2, Insurance Code;

(2) Section 12a, Chapter 117, Acts of the 54th Legislature, Regular Session, 1955 (Article 2.03-1, Vernon's Texas Insurance Code);

(3) Chapter 113, Acts of the 53rd Legislature, Regular Session, 1953 (Article 3.49-1, Vernon's Texas Insurance Code);

(4) Section 1, Chapter 417, Acts of the 56th Legislature, Regular Session, 1959 (Article 3.49-2, Vernon's Texas Insurance Code);

(5) Article 3.49-3, Insurance Code, as added by Chapter 701, Acts of the 60th Legislature, Regular Session, 1967;

(6) the Texas Employees Uniform Group Insurance Benefits Act (Article 3.50-2, Vernon's Texas Insurance Code);

(7) Section 3, Chapter 662, Acts of the 76th Legislature, Regular Session, 1999;

(8) the Texas State College and University Employees

Uniform Insurance Benefits Act (Article 3.50-3, Vernon's Texas Insurance Code);

(9) Article 3.50-4A, Insurance Code, as added by Chapter 372, Acts of the 76th Legislature, Regular Session, 1999;

(10) Article 3.50-4A, Insurance Code, as added by Chapter 1540, Acts of the 76th Legislature, Regular Session, 1999;

(11) Section 1, Chapter 123, Acts of the 60th Legislature, Regular Session, 1967 (Article 3.51-3, Vernon's Texas Insurance Code);

(12) Section 3B(m), Article 3.51-6, Insurance Code;

(13) Sections 1, 2, 3, 4, 5, 6, 6A, 7, 8, 10, 11, 11A, 11B, 12, 12A, 12B, 13, 13A, 13B, 13C, 14, 16, 17, 18, 18B, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 34, 35, 36, 37, and 38, Texas Health Maintenance Organization Act (Chapter 20A, Vernon's Texas Insurance Code);

(14) Section 18A, Texas Health Maintenance Organization Act (Chapter 20A, Vernon's Texas Insurance Code), as added by Chapter 735, Acts of the 75th Legislature, Regular Session, 1997;

(15) Section 18A, Texas Health Maintenance Organization Act (Chapter 20A, Vernon's Texas Insurance Code), as added by Chapter 1026, Acts of the 75th Legislature, Regular Session, 1997; and

(16) Section B, Article 10.04, Texas Non-Profit Corporation Act (Article 1396-10.04, Vernon's Texas Civil Statutes).

SECTION 32. LEGISLATIVE INTENT. This Act is enacted under Section 43, Article III, Texas Constitution. This Act is intended as a recodification only, and no substantive change in law is intended by this Act.

SECTION 33. EFFECTIVE DATE. This Act takes effect June 1, 2003.

APPENDIX B

CHAPTER 311. CODE CONSTRUCTION ACT

(current as of end of 77th Legislature, Regular Session, 2001)

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 311.001. SHORT TITLE. This chapter may be cited as the Code Construction Act.

Sec. 311.002. APPLICATION. This chapter applies to:

(1) each code enacted by the 60th or a subsequent legislature as part of the state's continuing statutory revision program;

(2) each amendment, repeal, revision, and reenactment of a code or code provision by the 60th or a subsequent legislature;

(3) each repeal of a statute by a code; and

(4) each rule adopted under a code.